



## **DEPARTMENT OF TRANSPORTATION**

### **Office of the Secretary**

### **14 CFR Parts 234 and 241**

### **RIN No. 2139-AA13**

### **[Docket No. DOT-RITA-2011-0001]**

### **Reporting of Ancillary Airline Passenger Revenues**

**AGENCY:** Office of the Secretary (OST), Department of Transportation (DOT).

**ACTION:** Notice of Public Meeting.

**SUMMARY:** This document announces a public meeting on a Notice of Proposed Rulemaking (NPRM) issued on July 15, 2011. The NPRM proposed changes regarding reporting of airline ancillary passenger revenues, computation of mishandled baggage rates, and collection of separate statistics for mishandled wheelchairs and scooters used by passengers with disabilities. During the public meeting, DOT staff will provide a summary of the proposals in the NPRM and seek input on costs and benefits associated with the implementation of the proposals.

**MEETING DATE and TIME:** The public meeting is scheduled for May 17, 2012, from 9:30 am to 11:30 am and from 1:00 pm to 3:00 pm, Eastern Time.

**ADDRESS:** The meeting will be held in the Oklahoma City Conference Room (located on the lobby level of the West Building) at the U.S. Department of Transportation, 1200 New Jersey Avenue, SE, Washington, D.C.. Attendance is open to the public; however, since access to the U.S. DOT headquarters building is controlled for security purposes, any member of the general public who plans to attend this meeting must notify the Department contacts noted below at least

ten (10) calendar days prior to the meeting.

**FOR FURTHER INFORMATION CONTACT:** Charles E. Smith, Trial Attorney, Office of the Assistant General Counsel for Aviation Enforcement and Proceedings, U.S. Department of Transportation, 1200 New Jersey Ave., SE, Washington, D.C., 20590, 202-366-9342 (phone), 202-366-7152 (fax), [Charles.Smith@dot.gov](mailto:Charles.Smith@dot.gov). You may also contact Blane A. Workie, Deputy Assistant General Counsel, Office of the Assistant General Counsel for Aviation Enforcement and Proceedings, U.S. Department of Transportation, 1200 New Jersey Ave., SE, Washington, D.C., 20590, 202-366-9342 (phone), 202-366-7152 (fax), [Blane.Workie@dot.gov](mailto:Blane.Workie@dot.gov). TTY users may reach these individuals via the Federal Relay Service toll-free at 800-877-8339. You may obtain copies of this notice in an accessible format by contacting the above named individuals.

**SUPPLEMENTARY INFORMATION:** On July 15, 2011, the Department of Transportation (DOT or Department) published a notice of proposed rulemaking in the Federal Register proposing to collect airline ancillary revenue information in a more detailed manner, change the way mishandled baggage rates are computed from mishandled baggage reports per unit of domestic enplanements to mishandled bags per unit of checked bags, and fill a data gap by collecting separate statistics on mishandled wheelchairs and scooters used by passengers with disabilities. See 76 FR 41726. You may review comments to this NPRM at [www.regulations.gov](http://www.regulations.gov), docket no. DOT-RITA-2011-0001. The Department is holding the public meeting primarily for the purpose of obtaining additional information about current industry practices for processing and accounting for baggage and wheelchairs. This information is critical to determining the cost associated with the proposal to change the manner in which the mishandled baggage rate is calculated and the proposal to report on the number of mishandled

wheelchairs/ scooters. We are also interested in learning more about the costs associated with the proposal to report airline ancillary fee revenue. Interested persons may provide oral comments at the meeting. The Department will also accept written materials at the public meeting. We will place, in the public docket for this rulemaking, any materials received at the meeting, as well as a summary of the meeting.

Below are examples of questions that the Department intends to pose at the public meeting.

*1. Reporting of Ancillary Fee Revenue*

- What is the current industry practice regarding ancillary fee revenue reporting for the Form 41 financial data? The Department would like to understand the process and logistics of how ancillary revenues are collected and transferred into reporting formats. It would also be helpful to know the amount of staff time required to develop the quarterly and semi-annual Form 41 reports.
- How would the aforementioned systems and processes be adapted for carriers to comply with the proposed reporting requirement?
- What new systems and processes would be necessary for carriers to comply with the proposed reporting requirement?
- What other resource requirements, e.g. additional personnel and training, would be necessary for carriers to comply with the proposed reporting requirement? What would be the dollar cost of providing those resources?
- The Department assumes that, as a matter of good business practice, airlines already collect the ancillary fee revenue identified in the proposed reporting requirement. Under this assumption, the costs of compliance with the new reporting requirement are

estimated to be the necessary one-time programming costs to adapt existing computer systems (about 40 hours of programming for each carrier to capture the ancillary revenue items), in addition to any recurring annual expenses (e.g. staff time) for developing the additional reports. Are there airlines that don't already gather information about the ancillary fee revenue identified in the NPRM?

- How much lead time is necessary to implement the proposed reporting requirement?
- Is there any other information that the Department should consider regarding the reporting of ancillary fee revenue?

## *2. The Metric Used to Calculate Mishandled Baggage*

- What is the current industry practice regarding processing and accounting for checked bags that are checked at the check-in counter, at the self-service bag drop, at the gate, or at the jet bridge? The Department would like to understand the entire process from what happens on the ground and the associated data systems when passengers check a bag, to what happens on the ground and the associated data systems when passengers claim the bag upon arrival, whether that is at the baggage carousel or at the gate or jet bridge.
- What are the existing processes and data systems associated with reporting mishandled bags? The Department would like to understand the reporting process from the time the passenger makes a report to the time the airline provides its mishandled baggage data to DOT.
- How could the aforementioned systems and processes be adapted to accommodate the proposed reporting requirement?
- What new systems and processes would be necessary for carriers to comply with the

proposed reporting requirement?

- What other resource requirements, e.g. additional personnel and training, would be necessary for carriers to comply with the proposed reporting requirement?
- What would be the dollar cost of adjustments to existing systems and processes, new systems and processes, and other resource requirements?
- The Department assumes that, as a matter of good business practice, airlines already gather and maintain information on the total number of counter-checked bags, gate-checked bags, and valet bags transported in the aircraft compartment. Under this assumption, the costs of compliance would include the adaption of the current reporting systems and processes (or, if they do not exist, the development and implementation of new systems and processes) that gather existing data for the new reporting requirements, in addition to any recurring annual expenses (e.g. staff time) for developing such reports.

We are interested in learning if our assumption about current industry practice is inaccurate.

- How much lead time is necessary to implement the proposed reporting requirement?
- Is there any other information that the Department should consider regarding the metric used to calculate mishandled baggage rates?

### 3. *The Reporting of Mishandled Wheelchairs and Scooters*

- What is the current industry practice regarding processing and accounting for wheelchairs and scooters that are checked at the check-in counter, at the self-service bag drop, at the gate, or at the aircraft door? Are they accounted for separately from other baggage? The Department would like to understand the entire process from what happens

on the ground and the associated data systems when passengers check their wheelchairs or scooters, to what happens on the ground and the associated data systems when passengers claim the assistive device upon arrival whether that is at the baggage carousel, the gate or jet bridge.

- What are the existing processes and data systems associated with reporting mishandled wheelchairs and scooters transported in the cargo hold?
- How could the aforementioned systems and processes be adapted to accommodate the proposed reporting requirement?
- What new systems and processes would be necessary for carriers to comply with the proposed reporting requirement?
- What other resource requirements, e.g. additional personnel and training, would be necessary for carriers to comply with the proposed reporting requirement?
- What would be the dollar cost of adjustments to existing systems and processes, new systems and processes, and other resource requirements?
- The Department assumes that, as a matter of good business practice, airlines already gather and maintain information on damage, delay, and loss of wheelchairs and scooters transported in the aircraft cargo compartment. Under this assumption, the costs of compliance would include the adaption of the current reporting systems and processes (or, if they do not exist, the development and implementation of new systems and processes) that gather existing data for the new reporting requirements, in addition to any recurring annual expenses (e.g. staff time) for developing such reports. We are interested in learning if our assumption about current industry practice is inaccurate.

- How much lead time is necessary to implement the proposed reporting requirement?
- Is there any other information that the Department should consider regarding the reporting of mishandled wheelchairs and scooters?

Issued in Washington, D.C., on \_April 23, 2012\_\_\_\_\_

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Pat Hu, Director  
Bureau of Transportation Statistics

[FR Doc. 2012-10179 Filed 04/26/2012 at 8:45 am; Publication Date: 04/27/2012]